

**Request for Information
(RFI)**

For

Asset Verification System (AVS)



April 10, 2014

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1 Introduction

This is a Request for Information (RFI) issued by the Alabama Medicaid Agency, hereafter referred to as the AGENCY. The AGENCY is interested in soliciting information from potential Vendors providing innovative solutions for an Asset Verification System (AVS) to deliver comprehensive verification and reporting of Medicaid applicants and beneficiaries', hereafter referred to as the client, assets in the most efficient and cost effective delivery model available. Title VII, section 7001(d) of P.L. 110-252 (Supplemental Appropriations Act of 2008) added a new section 1940 to the Social Security Act. Section 1940 requiring all States to implement a system for verifying the assets of aged, blind or disabled applicants for and recipients of Medicaid.

Through this RFI, the AGENCY is hoping to gain insight into solutions that have been or are being implemented. At the same time, the AGENCY encourages Vendors who may only have experience in particular segments of the services to consolidate responses with other Vendors, thereby providing a full picture of the products available. It is the intent of the AGENCY to solicit responses to this RFI in accordance with specifications contained in this document.

The issuance of this RFI does not obligate the AGENCY in any way to issue an Request for Proposal (RFP) or Invitation to Bid (ITB) for the solution, materials, and services described in this RFI.

1.1 Background

Congress created Medicaid in 1965, under the provisions of Title XIX of the 1965 amendments to the Social Security Act. Medicaid started in Alabama in 1970 as a State Department of Public Health (DPH) program. In 1977, the Alabama Medical Services Administration was made an independent State Agency. In 1981 it was renamed the Alabama Medicaid Agency. The AGENCY is responsible for assuring that Medicaid eligible Alabamians have the opportunity to request and receive Medicaid services by qualifying through an eligibility process. Providers of direct services are reimbursed for medical services received by Medicaid beneficiaries. The AGENCY makes reimbursement for different services and functions using Federal and State matching funds. The Federal Financial Participation's (FFP) Federal Medical Assistance Percentage match (FMAP) for specific Medicaid costs can be up to seventy-five percent (75%) or higher with most other administrative costs receiving fifty percent (50%) Federal funding. The remaining funding percentage is made up of State or other funding sources. Enhanced Federal match of ninety percent (90%) is also available for information systems projects, such as the modernization of the eligibility and enrollment system, for meeting requirements set out in State Medicaid Manual (SMM), 11210 and 42 CFR-433.15 and complying with the seven conditions and standards as defined in the Centers for Medicare & Medicaid Services (CMS) publication *Enhanced Funding Requirements: Seven Conditions and Standards* of April 2011. As part of the state-federal partnership in administering the Medicaid and CHIP programs, CMS issues guidance in the form of letters to State Medicaid Directors, letters to State Health Officials (often regarding CHIP policy or financing issues), Informational Bulletins, and Frequently Asked Questions to communicate with states and other stakeholders regarding operational issues related

to Medicaid and CHIP. In addition, CMS issues federal regulations that codify statutory provisions and also policies that have been previously outlined in sub-regulatory guidance.

During Fiscal Year (FY) 2010, there were 1,026,429 persons eligible for Medicaid in at least one month of the year. The average number of persons eligible for Medicaid per month was 851,199. The monthly average is the more useful measure of Medicaid coverage because it takes into account the length of eligibility. Of the 1,026,429 persons eligible for Medicaid in FY 2010, about eighty-five percent (85%) actually received care for which the AGENCY paid. These 872,465 persons are referred to as beneficiaries. The remaining persons incurred no medical expenses paid for by the AGENCY. Many of the individuals who had no medical expenses paid for by the AGENCY were partially eligible such as Qualified Medicare Beneficiaries (QMBs) only or Specified Low-income Medicare Beneficiaries (SLMBs).

Alabama's population grew from 4,838,286 in 2010 to 4,876,660 in 2011. The segment of the population eligible for Medicaid services has risen from twenty-one and 2 tenths percent (21.2%) in FY 2010 to twenty-two percent (22.0%) in FY 2011.

In September 2003, the Social Security Administration (SSA) awarded a contract to design, develop and operate an internet-based AVS that, in the future, could replace the process for manually verifying assets under the Supplemental Security Income (SSI) program. The manual process requires the SSA, based on information provided by the SSI applicant, to verify assets by directly contacting the individual's designated financial institution(s).

The contractor initially piloted its system in New York and New Jersey. California was added on November 1, 2007. The contractor's system involves a secure automated internet-based network between SSA's district offices and various financial institutions such as banks and loan companies. The contractor negotiated agreements with the financial institutions to participate in the asset verification project. The contractor also serves as the interface between the SSA district office and the various financial institutions.

In the implemented system, a district office electronically forwards a request for asset information for an individual applying for SSI to the contractor using the secure system. The contractor in turn forwards the request to the appropriate financial institutions, based on parameters that are part of the contractor's system. Each financial institution responds to the contractor, for the most part electronically, providing any information it has about assets the applicant has at the institution. The contractor then forwards this information to the SSA district office, where the information is used to determine whether the applicant meets SSI's resource requirements.

Federal law and subsequent guidelines issued to States by the Centers on Medicare and Medicaid Services (CMS) require an AVS to be consistent with the approach taken by the SSA in its SSI asset verification project.

Through this RFI, the AGENCY is hoping to gain insight into solutions that have been or are being developed.

1.2 Objective

The AGENCY is seeking responses to the information requests in this RFI. The AGENCY is open to different approaches and solutions regarding how a Vendor's recommended solution would function, should the AGENCY decide to procure an AVS.

The objectives of this RFI are to:

- Provide information that the AGENCY will use to create a conceptual design of a potential AVS Request for Proposal (RFP)
- Solicit information regarding the range of products that would be suitable for use in an AVS
- Understand the implementation and ongoing maintenance costs associated with an AVS

It is important that the potential Vendors understand that the AGENCY is seeking information from entities that have direct experience with AVSs and State welfare eligibility or medical claims processing systems in order to maximize the value and relevance of the information provided.

2 Request for Information Procedure

This request requires any Vendor wishing to submit information to respond to this RFI by 5:00 pm CST, May 15, 2014. The AGENCY will accept a formal written response and any additional materials the Vendor would like to attach to highlight their service or product offerings, such as:

- Marketing brochures and materials
- Videos
- Website links
- Webinars
- Time limited access privileges to content or systems.

2.1 Relevant Dates

Event	Due Date
Issue RFI	04/10/2014
Deadline of Submission	05/05/2014
Preliminary RFI Response Analysis (Internal)	05/19/2014
Follow-up Questions to Vendors	05/23/2014

2.2 RFI Coordinator

Tobias Mense
Center for Advanced Technologies, Auburn Montgomery
400 South Union St., Montgomery, AL 36104
(334) 244 - 3091
Tobias.Mense@medicaid.alabama.gov

2.3 Questions

Any technical or procedural questions regarding this RFI must be submitted to the RFI Coordinator via email. Responses to questions will be made to the Vendor by the RFI Coordinator within three working days of receipt of question and will be shared with all Vendors.

2.4 Response Format

Vendors must submit a softcopy of the response on CD/DVD, USB flash drive or electronic submission to the AGENCY.

The softcopy CD/DVD, USB flash drive or electronic submission of the response must contain the following:

- 2.4.1 One (1) complete copy of the Proposal in searchable Adobe Acrobat PDF format
- 2.4.2 One (1) complete copy of the Proposal in Microsoft Word 2003 or later format

2.5 Submission

Responses to the RFI may be hand-delivered or mailed to the RFI Coordinator. Responses will not be accepted over the phone. All responses must be received before the Deadline of Submission as stated in Section 2.1.

Vendors responding to this RFI will not be precluded from bidding on any future AGENCY procurements in regards to an AVS.

2.6 Review and Rejection of RFI Responses

The AGENCY reserves the right to reject any and all responses, in whole and in part, received in response to this RFI at any time. Issuance of the RFI in no way constitutes a commitment by the AGENCY to award any contract. This RFI is designed to provide Vendors with the information necessary for the preparation of informative response proposals. This RFI process is for the AGENCY's benefit and is intended to provide information to assist in the development of a competitive RFP procurement. The RFI is not intended to be comprehensive and each Vendor is responsible for determining all factors necessary for submission of a comprehensive response. The RFI response will not be subject to an RFP type evaluation but only to a review of suggested solution, performance, and cost (cost may be estimated by the Vendor but Vendor shall state that it is an estimated or approximate cost), of the solution offered and of abilities to perform services that may be of use to the AGENCY.

2.7 No Obligation to Issue RFP or ITB

This RFI is an inquiry only and no contract or agreement will be entered into as a result of this process. By responding to this document or otherwise participating in this process, no contract or agreement will be formed and no legal obligation between the AGENCY and Respondent will arise. Individual firms or teams that have not responded to this RFI shall not be precluded from participating in any future solicitation processes in relation to the project. The issuance of this RFI does not obligate the Agency in any way to issue an RFP or any other procurement for the solution, materials, and services described in this RFI.

2.8 Disclosure of RFI Contents

Responses and supporting documents are kept confidential. Vendors should be aware that any information in a response may be subject to disclosure and/or reproduction under Alabama law. Designation as proprietary or confidential may not protect any materials included within the response from disclosure if required by law. Vendors should mark or otherwise designate any material that it feels is proprietary or otherwise confidential by labeling the page as "CONFIDENTIAL" on the bottom of the page. Vendors shall also state any legal authority as to why that material should not be subject to public disclosure under Alabama open records laws and is marked as Proprietary Information. By way of illustration but not limitation, "Proprietary Information" includes trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques.

It is the sole responsibility of the Vendors to indicate information that is to remain confidential. The AGENCY assumes no liability for the disclosure of information not identified by the Vendors as confidential.

2.9 Copyright Permission

By submitting a response, the Vendor agrees that the AGENCY may copy the response for purposes of facilitating the analysis of the response or to respond to requests for public records. By submitting a response, the Vendor consents to such copying and warrants that such copying will not violate the rights of any third party.

2.10 Cost and Expenses

Each Respondent is responsible for its own costs and expenses related to this process, including cost and expenses associated with preparing and submitting a response to this RFI, participating in the process, the provision of any additional information, or attendance at meetings/interviews. No costs related to this RFI will be reimbursable from the AGENCY.

3 RFI Requirements

3.1 Executive Summary

Vendors should respond to this section with a summary of their overall Technical Approach, Methodology, and Organization and Staffing for an AVS at the AGENCY. The Executive Summary should condense and highlight the contents of the Technical Approach in such a way as to provide a broad understanding of the entire informative response proposal.

3.2 Company Background

Vendors should respond to this section with a brief description of their company or organization, products and services, history, names of governmental entities for which the Vendor has implemented or is implementing an AVS solution, and any other information deemed relevant.

3.3 AVS Solution

In this Section, the Vendor should provide a high level description of how their AVS solution provides the AGENCY with an AVS solution that fulfills the requirements listed in this RFI.

The description may include but not limited to:

- 3.3.1 A description of how the proposed AVS solution, meets all requirements of the Centers for Medicare/Medicaid Services and P.L. 1940.
- 3.3.2 A description of the AVS solution's ability to send verification inquiries electronically via the internet or similar means from the solution to the Financial Institutions (FI). The system cannot be based on mailing or faxing paper-based requests. The system should have the capability to provide for both electronic submission of requests to Financial Institutions; and electronic receipt of responses from Financial Institutions.
- 3.3.3 A description of the AVS solution's ability to request information concerning both open and closed accounts going back for a period up to five (5) years to determine if the client's name appeared on any account as a single or joint owner during the look-back period.
- 3.3.4 A description of the AVS solution's ability to verify, checking, savings, investment accounts, IRA's, treasury notes, certificates of deposit, annuities and any other assets that may be held or managed by any Financial Institution. In addition, Vendors may also address the AVS solution's ability to request information outside of Financial Institutions, such as a Probate Office, for the verification of property assets.

- 3.3.5 A description of the AVS solution's ability to allow for verification requests to be sent to Financial Institutions other than those identified by the applicant or recipient. These queries should be based on some logic such as geographic proximity to the client's home address or other reasonable factors. The AVS solution should allow an option for the AGENCY to specify a Financial Institution.
- 3.3.6 A description of the AVS solution's ability to provide for cross-state matching of assets to include Financial Institutions located outside of Alabama.
- 3.3.7 A description of how the Vendor would establish a network of Financial Institutions (FI's) who will participate in the AVS solution. Such description may also include a suggested process or methodology of recruiting Financial Institutions to participate in the AVS solution.
- 3.3.8 A high-level project plan description that includes major tasks and milestones.
- 3.3.9 A description of how the AGENCY's staff would be used as resources in this project. Such description should include any anticipated roles of personnel.
- 3.3.10 A description of available training and customer support to both the AGENCY staff and Financial Institution staff.

3.4 Cost Structure

Vendors should submit an estimation of costs with a brief description of the available cost models (fixed fee, monthly user fee, transaction fee, etc.). The RFI response will not be subject to an RFP type evaluation but only to a review of suggested solution, performance, and cost (cost may be estimated by the Vendor but Vendor shall state that it is an estimated or approximate cost), of the solution offered and of abilities to perform services that may be of use to the AGENCY.